

STATE OF TENNESSEE

Office of the Attorney General



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Reply to:
Consumer Advocate and Protection Division
Post Office Box 20207
Nashville, TN 37202

September 19, 2003

Honorable Deborah Taylor Tate
Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

IN RE: APPLICATION OF NASHVILLE GAS COMPANY, A DIVISION OF
PIEDMONT NATURAL GAS COMPANY, INC., FOR AN ADJUSTMENT OF ITS
RATES AND CHARGES, THE APPROVAL OF REVISED TARIFFS AND
APPROVAL OF REVISED SERVICE REGULATIONS, DOCKET NO. 03-00313

Dear Chairman Tate:

Enclosed is an original and thirteen copies of the Consumer Advocate and Protection Division's Responses to TRA Data Requests Dated September 18, 2003. Kindly file same in this tariff. Copies are being sent to all parties of record. If you have any questions, kindly contact me at (615) 741-3533. Thank you.

Sincerely,

A handwritten signature in dark ink, appearing to read "T.C. Phillips".

TIMOTHY C. PHILLIPS
Assistant Attorney General

cc: All Parties of Record

#66649

IN RE: APPLICATION OF NASHVILLE GAS COMPANY, A DIVISION OF PIEDMONT NATURAL GAS COMPANY, INC. FOR AN ADJUSTMENT OF ITS RATES AND CHARGES, FOR APPROVAL OF REVISED TARIFFS AND APPROVAL OF REVISED SERVICE REGULATIONS.

DOCKET NO. 03-00313

RESPONSE TO TRA DATA REQUEST DATED SEPTEMBER 18, 2003

1. In the Company's response to Item 5 of the September 11, 2003 data request, the Company provided two financial schedules. The first schedule consists of two pages, and is titled "Pro Forma Margin Calculations". The second schedule is titled "Sales and Transportation Rates and Revenues".

On the "Sales and Transportation Rates and Revenues" schedule, the Company uses sales volumes of 10,586,231 Dth and 6,843,650 Dth to respectively calculate the sales margin for its Residential and Commercial customer classes.¹

On the "Pro Forma Margin Calculation" schedule, the Company shows the development of the Residential and Commercial sales volumes of 10,586,375 Dth² and 6,811,344 Dth³ respectively from adjustments for normalization and growth. However, the normalization and growth adjustments for the Residential and Commercial customer classes as shown on the "Pro Forma Margin Calculation" schedule differ from these same adjustments that were included on Exhibit DRC-1 in the Company's petition.

Please provide a detailed explanation of the difference in sales volumes discussed above and supply appropriate supporting documentation.

RESPONSE: The Consumer Advocate has reviewed the response to this request prepared by Nashville Gas and incorporates same subject to review of the filed response.

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¹ The column heading for these sales volumes refers to footnote "A/" which is not included in the schedule.

² No explanation is given for the difference in the Residential sales volumes between the two schedules.

³ No explanation is given for the difference in the Commercial Sales volumes between the two schedules.